

"BUILDING DEMOCRACY FROM THE GRASSROOTS"

Good morning,

I would like to extend a warm welcome to everyone to this forum, which we have called "Building Democracy from the Grassroots". The focus of our attention is on Latin America and the Caribbean, but our message and ideas are universal. If democracy is to become a reality, people at all levels must be transformed into empowered citizens with voice and vote. Of all levels of government, the local has the greatest impact on the lives of people, and it is at the local level that democracy and accountability must take root before we can expect national democracies to become fully functional.

For 30 years the Inter-American Foundation has had a unique window on the grassroots or local level by supporting the ideas and self-help efforts of peasants, small farmers, women, youth, urban dwellers, squatters, street vendors, small producers, artisans, indigenous people, Afro Latin Americans and the poor in general. Marvelous success stories as well as failures fill the annals of the more than 4300 local organizations that the Foundation has funded in 32 countries in Latin America and the Caribbean. From this experience, I would like to offer four observations:

First, poor and marginalized people, when given an opportunity, can be amazingly resourceful, can build strong and sustainable organizations, are capable of enormous generosity and solidarity, and can be successful in improving the quality of life in their communities. They are also able to generate participation, accountability mechanisms, and stimulate the emergence of democratic leadership. Grassroots organizations provide the space for building self-esteem and the capacity to negotiate with other sectors of society. Non-governmental organizations and other civil society organizations that have emerged throughout Latin America and the Caribbean have played a critically important role in helping in the formation of grassroots organizations. In many countries, agencies of the national government have also had a positive influence in this process.

Second, grassroots organizations have remarkable resilience to adversities of all sorts, but they can also flourish in a favorable environment. Over the past decade or so, as most countries in Latin America and the Caribbean began a still very incipient process of decentralization and direct election of municipal authorities, we have witnessed an impressive transformation of the dynamics in many localities. In a growing numbers of cases, particularly in localities with an infrastructure of strong grassroots and civil society

organizations, we are witnessing new forms of participatory governance, where organized citizens are making a difference and are being heard for the first time.

Third, there is great potential for progress when communities are successful in overcoming the barriers that have historically separated the various sectors of society in much of Latin America and the Caribbean. Important improvements in the quality of life of a community can occur when local governments, community and civil society organizations, and private businesses work together to address local issues of common concern. Building partnerships and alliances is key to closing the gap of distrust that has characterized the relationship among the sectors in much of Latin America and the Caribbean.

Fourth, sustainable poverty reduction and the exercise of participatory democracy go hand in hand. One cannot occur without the other. We must focus more attention on governance for clues to find answers to the riddle of why Latin America and the Caribbean remain poor. While we must promote effective governance at all levels, good governance can have the

greatest impact on the quality of life of people at the local level. Good local governance is the cornerstone for good national governance.

In this forum, we will focus on several elements that form the basis for democratic practice. First is the role of citizens and civil society in the governance equation. We will then examine the enabling policy environment that helps foster local democratic practice, including decentralization.

Next, we want to share with you the results of two studies that include approximately 20 Inter-American Foundation grantees in eight countries. One study looks at what makes partnerships work, and the other explores the relationship between grassroots organizing and democratic practice.

After lunch, we want you to meet a real partnership and its key representatives from a novel experience in El Salvador. We invited the mayor, a business leader, the head of a community organization, and an NGO representative to tell us first hand how they are working together to solve some of the problems of the Municipality of Nejapa.

We will close the forum with some thoughts from Ronald McLean, the former Mayor of La Paz, and current Minister of Sustainable Development and Planning in Bolivia, and Darcy Ashman whose experience is primarily on other regions of the world, but who should offer valuable insight. We have a tight agenda, but we hope to have some time for your questions and comments.

We at the Foundation are very pleased to join forces with the OAS's Unit for the Promotion of Democracy in sponsoring this forum. Thank you very much for coming. I will now turn the podium my colleague Elizabeth Spehar, Coordinator of the OAS Unit for the Promotion of Democracy.